

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

IN RE

PDG PRESTIGE, INC.

DEBTOR.

LEGALIST DIP GP, LLC

PLAINTIFF,

V.

PDG PRESTIGE, INC.
and MICHAEL DIXSON, individually

DEFENDANTS.

CASE NO. 21-30107-cgb

CHAPTER 7

ADVERSARY NO. 23-03004-cgb

**LEGALIST DIP GP, LLC’S UNOPPOSED MOTION
TO AMEND SCHEDULING ORDER**

This pleading requests relief that may be adverse to your interests.

If no timely response is filed within 21 days from the date of service, the relief requested herein may be granted without a hearing being held.

A timely filed response is necessary for a hearing to be held.

Legalist DIP GP, LLC (“**Legalist**”), plaintiff in the above-captioned adversary proceeding (the “**Adversary Proceeding**”), hereby files this unopposed motion (the “**Motion**”) seeking an amended scheduling order in the Adversary Proceeding. In support of the Motion, Legalist respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b). This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b).
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. The Bankruptcy Case

3. On February 15, 2021, PDG Prestige, Inc. (“**PDG Prestige**”) filed a voluntary petition under title 11, Chapter 11 of the United States Code (the “**Bankruptcy Code**”), thus initiating the “**Bankruptcy Case**.” Michael Dixon (“**Dixon**”) signed the petition on behalf of PDG Prestige as president.

4. During the course of the Bankruptcy Case, Legalist and its related entities provided debtor-in-possession financing to PDG Prestige. *See, e.g., Notice of Closing of Financing Transaction Between PDG Prestige, Inc. and Legalist* [Doc. No. 59].

5. During the course of the Bankruptcy Case, Legalist was represented by the firm Bell Nunnally & Martin LLP (“**Bell Nunnally**”).

6. On June 23, 2023, PDG Prestige filed a *Motion to Convert Case to Chapter 7* [Doc. No. 264] (the “**Motion to Convert**”).

7. On July 13, 2023, the Court entered an order converting the Bankruptcy Case to Chapter 7 [Doc. No. 271]. Thereafter, Ronald Ingalls was appointed as Chapter 7 Trustee.

8. On December 15, 2023, Bell Nunnally filed a notice advising of its withdrawal as counsel for Legalist [Doc. No. 304].

9. On December 18, 2023, the undersigned counsel at the firms of Bluestone, P.C. and Ross, Smith & Binford, PC filed a notice of substitution of counsel for Legalist [Doc. No. 306].

B. The Adversary Proceeding

10. On June 16, 2023, Legalist filed a complaint against PDG Prestige and Dixon (collectively, the “**Defendants**”), thus initiating the Adversary Proceeding. Bell Nunnally appeared on behalf of the Legalist in the Adversary Proceeding.

11. On July 7, 2023, the Defendants filed a Motion to Dismiss Case [Doc. No. 6] (the **“Motion to Dismiss”**).

12. On July 28, 2023, Legalist filed a response to the Motion to Dismiss [Doc. No. 7].

13. On August 29, 2023, the Court entered an order denying the Motion to Dismiss [Doc. No. 9].

14. On September 19, 2023, the Defendants filed their answer [Doc. No. 11].

15. On September 21, 2023, the Court entered a Scheduling Order [Doc. No. 13].

16. Thereafter, Legalist determined to change counsel in both the Bankruptcy Case and the Adversary Proceeding. As such, on December 15, 2023, Bell Nunnally filed a notice of withdrawal as counsel [Doc. No. 18]. On December 18, 2023, the undersigned counsel at the firms of Bluestone, P.C. and Ross, Smith & Binford, PC filed a notice of substitution of counsel for Legalist [Doc. No. 19].

RELIEF REQUESTED AND BASES THEREFOR

17. Following retention as counsel for Legalist, the undersigned counsel acted expeditiously to file the appropriate substitution notices. Counsel for Legalist also contacted both counsel for the Defendants and the Chapter 7 Trustee to discuss the entry of an amended scheduling order. Legalist determined such an amended order was necessary given upcoming dates and deadlines in the Scheduling Order that would not be possible to meet, given the change in counsel. Legalist proposed an amended scheduling order (the **“Amended Scheduling Order”**) in the form attached to this Motion.

18. As set forth in the attached Certificate of Conference, counsel for the Defendants and the Chapter 7 Trustee each advised that they consent to the entry of the Amended Scheduling Order.

19. As such, by this Motion, Legalist seeks entry of the Amended Scheduling Order in the format attached hereto, or in a form substantially similar that meets with the Court's applicable docket calendar.

20. Federal Rule of Civil Procedure 16(b), made applicable to this Adversary Proceeding pursuant to Bankruptcy Rule 7016, provides that a scheduling order may be modified on good cause shown. Legalist submits that cause exists to enter the Amended Scheduling Order due to the need for Legalist's new counsel to familiarize itself with the Bankruptcy Case and the Adversary Proceeding. In addition, as evidenced by the consent provided by the Defendants and the Chapter 7 Trustee, no party will be prejudiced by the entry of the Amended Scheduling Order.

WHEREFORE, Legalist requests that the Court (i) grant the relief sought herein; (ii) enter an order substantially in the form of the proposed Amended Scheduling Order; and (ii) grant Legalist such other and further relief as Legalist may show itself justly entitled.

Dated: December 20, 2023

Respectfully submitted,

/s/ M. Zachary Bluestone

M. Zachary Bluestone, Admitted *Pro Hac Vice*

D.C. Bar No. 994010

Bluestone, P.C.

1717 K Street NW, Suite 900

Washington, DC 20006

Phone: 202-655-2250

Email: mzb@bluestonelaw.com

-and-

/s/ Jason Binford

Jason Binford

State Bar No. 24045499

Ross, Smith & Binford, PC

2003 N. Lamar Blvd., Ste. 100

Austin, TX 78705

Phone: 512-351-4778

Email: jason.binford@rsbfirm.com

Counsel to Legalist DIP GP, LLC

CERTIFICATE OF CONFERNECE

I certify that, prior to filing this Motion, I contacted David Lutz, counsel for the Defendants and Ronald Ingalls, Chapter 7 Trustee regarding the relief sought herein. Mr. Lutz and Mr. Ingalls each advised that they approve of the form of the Amended Scheduling Order.

/s/ Jason Binford
Jason Binford

CERTIFICATE OF SERVICE

I certify that on December 20, 2023, I served or caused to be served the foregoing document via the Court's Electronic Case Filing System upon the parties listed below via the manner described.

/s/ Jason Binford
Jason Binford

Debtor:

PDG Prestige, Inc.
154 N Festival Dr., Ste. D
El Paso, TX 79912
Served via U.S. mail

Defendant:

Michael Dixon
12912 Hill Country Blvd., Bldg. F., Ste. 235
Austin, TX 78738
Served via U.S. mail

Defendants' Counsel:

David P. Lutz
P.O. Drawer
Las Cruces, NM 88004-183
Email: dplutz@qwestoffice.net
Served via ECF and E-Mail

United States Trustee:

P.O. 1539
San Antonio, TX 78295
Email: ustpreion07.sn.ecf@usdoj.gov
Served via ECF and E-Mail

Trustee:

Ronald E Ingalls
PO Box 2867
Fredericksburg, TX 78624-1927
Email: ingallstrustee@gmail.com
Served via ECF and E-Mail